# 2003 Annual Report

OSD

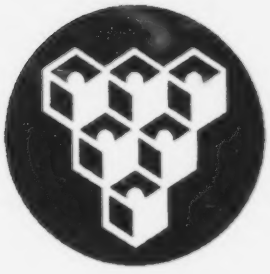
Organization & Staff Development

*consulting and training that make a difference*

www.gov.mb.ca/csc/osd

104-01367/

# 2003 Annual Report



**Organization & Staff Development**
**Manitoba Civil Service Commission**

*consulting & training that make a difference*

**Minister responsible**
**for The Civil Service Act**

Legislative Building
Winnipeg, Manitoba, CANADA
R3C 0V8

His Honour
The Honourable Peter M. Liba, C.M., O.M.
Lieutenant Governor of Manitoba
Room 235, Legislative Building
Winnipeg, Manitoba
R3C 0V8

May It Please Your Honour

I am pleased to present the Ninth Annual Report of the Organization & Staff Development Agency for the fiscal year ended March 31, 2003.

Respectfully submitted,

Greg Selinger
Minister Responsible for the Organization
& Staff Development Agency
Civil Service Commission`

**Manitoba**

**Civil Service Commission**
**Office of the Commissioner**

935 – 155 Carlton Street
Winnipeg MB R3C 3H8
Fax: (204) 945-1486

Honourable Greg Selinger
Minister Responsible for the Organization
& Staff Development Agency
Civil Service Commission
103 Legislative Building
Winnipeg, Manitoba
R3C 0V8

Dear Mr. Selinger

I am pleased to submit, for your consideration, the 2003 Annual Report of Organization & Staff Development (OSD) as a Special Operating Agency.

The report covers the period April 1, 2002 to March 31, 2003. During this period, OSD fulfilled its obligations as a self-sustaining operation, achieved its program objectives and exceeded its financial targets.

Respectfully submitted,

Shirley L. Strutt, Q.C.
Civil Service Commissioner
Chair of the Organization
& Staff Development Agency
Advisory Board

**Table of Contents**

Minister's Letter of Transmittal

Civil Service Commissioner's Letter of Transmittal

Agency Board Members ..... 5
Profile ..... 6
Purpose ..... 6
Commitment ..... 6
Director's Comment ..... 7
Progress towards Goals and Objectives ..... 8
Performance Framework ..... 9
Reporting Relationships ..... 11

## Agency Board Members

**Chair**

Shirley L. Strutt, Q.C.
Commissioner
Manitoba Civil Service Commission

**Members**

Thomas J. Farrell
Deputy Minister
Manitoba Labour and Immigration

Bruce A. MacFarlane, Q.C.
Deputy Minister of Justice
and Deputy Attorney General
Justice

Gisela Rempel
Assistant Deputy Minister
Employment and Income Assistance Division
Manitoba Family Services and Housing

Jim Robson
Vice President
Application Delivery
Great-West Life Assurance

Dr. Ben Levin
Deputy Minister
Education, Training & Youth
DM Advanced Education

Marcia Thomson
Executive Director
Health Programs
Health

Rose Bear
Human Resource Consultant
Human Resources Services
Justice

Guy Gordon
A/Assistant Deputy Minister
Service Manitoba
Manitoba Civil Service Commission

Jackie Desrochers
Manager, Training Services
Organization & Staff Development
Manitoba Civil Service Commission

**Agency Management**

Herb Robertson
Chief Operating Officer/Director
Organization & Staff Development
Manitoba Civil Service Commission

**Profile**

In 1970, the Manitoba Civil Service Commission created a branch to provide training workshops and advisory services that supported what the government wanted to achieve in the area of people and organization development.

In 1994, Organization & Staff Development (OSD) became the third Special Operating Agency of the Manitoba Government. The Special Operating Agency framework emphasizes accountability and end results. This emphasis is consistent with the OSD tradition of putting the service user first and always striving to make a difference.

**Purpose**

Organization & Staff Development (OSD) is a program area of the Civil Service Commission. The agency provides consulting and training services. These services:

1. support implementation of government human resource policies and priorities, and
2. assist employees and their managers to solve organization problems, to improve service effectiveness, and to help realize the human potential that exists with organizations.

OSD services are available to central government, to individual departments and to other organizations outside the Manitoba Civil Service.

**Commitment**

OSD is committed to representing three principles in whatever the agency does.

1. The needs of those who use our service are our concern.

   This means we act with the courage necessary to understand our service users and to provide them with real help for real problems.

2. We treat others as friends, no differently than we treat ourselves.

   This means we strive to make every contact an experience that benefits our service users, makes them better off for knowing us and leaves them a little wiser.

3. Our work is important work.

   This means we serve to the best of our ability. We respect the privilege of helping Manitobans and those who represent them.

**Director's Comment**

OSD continues to fulfill its Business Plan commitments. In 2002/2003, OSD continued to solidify the position of the agency as a significant supplier of consulting and training services. OSD achieved its three goals for this year, completed its objectives and continued to meet all nine performance targets.

OSD met its 2002-2003 target for net earnings. This accomplishment can be attributed to six factors: prudent expenditure practices, aggressive marketing, the securing of preferred vendor rates, service user loyalty, the reputation for flexibility and responsiveness of the agency, and the expertise and commitment of the staff.

Revenue from Department and Public clients decreased by approximately 12% during the year. Fixed costs remained relative and other costs decreased marginally in efforts to respond to the loss in revenue. Sound fiscal management has provided a 17% decrease on forecasted loss.

The number of projects undertaken by OSD (576) was consistent with previous years. While OSD continued to increase marketing and relationship-building, the number of participants in OSD Training and Consulting events (6135) decreased from the previous year, reflective of discretionary funding constraints.

OSD continues to provide exemplary service as indicated by the levels of service user satisfaction. The service users continue to consistently rate as "more than satisfactory" the agency programs and delivery, as measured by individual participant evaluations and follow-up calls to clients of consulting services.

OSD is proud of the success it has achieved since becoming a Special Operating Agency in 1994. The agency believes that as the government moves forward to renewal and regeneration, OSD can support the efforts of the government to strengthen the civil service and contribute to those efforts while operating in a self-sustaining manner.

**Progress towards Goals and Objectives:**

The three goals for 2002/03 were:

1) to design, develop, and sell complete training packages that are delivered through internal resources.

   OSD has designed three high demand workshops, has completely developed two workshops and has begun to market, through existing identified demand, clients who would benefit from packaged training opportunities.

2) to promote agency services to rural Manitoba and to schedule four to six workshops in the Westman Region in 2003 and four to six workshops in the Northern Region in 2004.

   OSD has, this year, delivered 13 training events in the Northern Region and 24 training opportunities in the Westman Region as well as delivering the 2 guide workshops noted in Table 1. OSD continues to strive to deliver service in rural and Northern communities to ensure access for all government of Manitoba employees. The delivery of training opportunities and consulting services in rural areas continues to be expensive. OSD cost-recovery will always be affected when delivering rurally or in northern and remote areas. Still, OSD is committed to ensuring accessibility.

3) to introduce a new learning plan and development support for OSD staff.

   OSD staff have created individual learning plans and continue to monitor and review progress on the continuum of their development. OSD strives to exemplify "training as investment".

**Performance Framework**

**Part 1 - Training and Projects**

Table 1 - Training (general training as scheduled in the OSD *Guide* to training & consulting services)

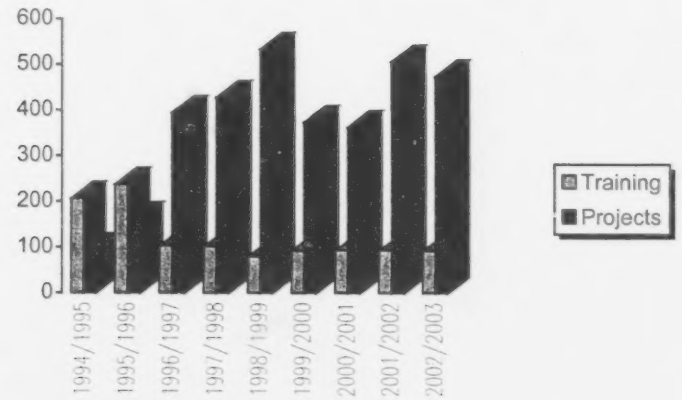
| | Workshops | Participants | Average | Rural Workshops | Vendors Used | % |
|---|---|---|---|---|---|---|
| 2002/03 | 93 | 1329 | 14 | 2 | 80 | 86% |
| 2001/02 | 94 | 1406 | 15 | 0 | 84 | 90% |
| 2000/01 | 94 | 1322 | 14 | 5 | 91 | 97% |
| 1999/00 | 93 | 1197 | 12.9 | 4 | 84 | 90% |
| 1998/99 | 80 | 1086 | 13.6 | 3 | 52 | 94% |
| 1997/98 | 102 | 1377 | 13.5 | 15 | 72 | 71% |
| 1996/97 | 104 | 1261 | 12 | 7 | 73 | 70% |
| 1995/96 | 238 | 3434 | 14 | 40 | 127 | 53% |
| 1994/95 | 207 | 4613 | 22 | 60 | 102 | 49% |

Table 2 - Projects

Projects are consulting, training or administrative services provided to a specific service user and their organization. In a few instances, it could also include offerings of general classroom training in addition to those scheduled in the *Guide*.

| | Number | Participants | Vendors Used | Vendor % |
|---|---|---|---|---|
| 2002/03 | 474 | 6135 | 364 | 77% |
| 2001/02 | 506 | 8020 | 355 | 70% |
| 2000/01 | 363 | 5372 | 234 | 64% |
| 1999/00 | 374 | 5736 | 272 | 73% |
| 1998/99 | 534 | 7976 | 416 | 78% |
| 1997/98 | 428 | 6527 | 304 | 71% |
| 1996/97 | 395 | 5528 | 300 | 76% |
| 1995/96 | 163 | 3045 | 89 | 55% |
| 1994/95 | 95 | 2222 | 45 | 47% |

**Training and Projects Chart**




**Part 2 - Performance Targets**

OSD is meeting/exceeding or is on target to meet/exceed its performance targets.

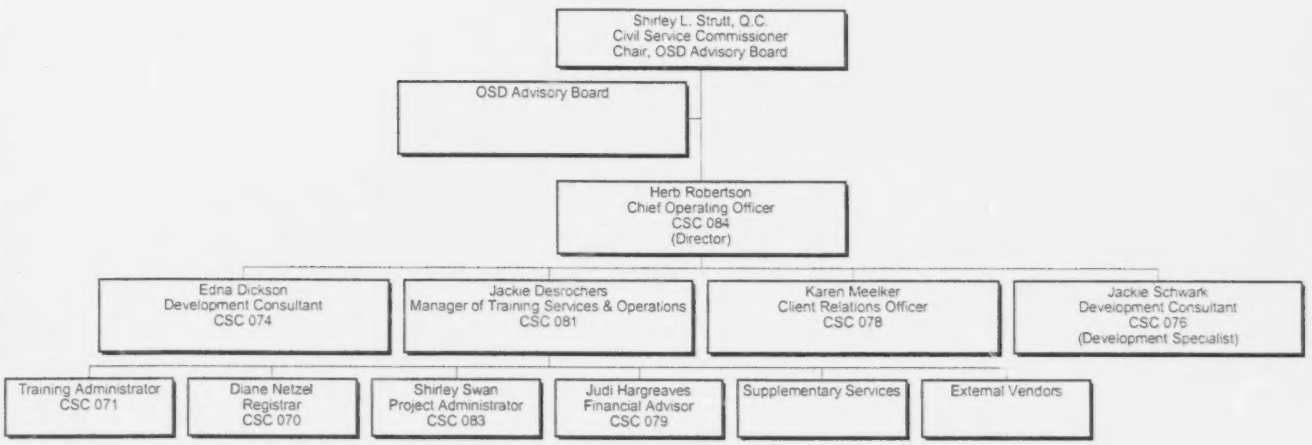
| YTD OSD Performance Part 1 | | |
|---|---|---|
| **As at March 30/03** | **Guide (# of workshops delivered)** | **In - House/Projects (# of workshops / projects delivered)** |
| **Corporate** | 27 | 89 |
| **Departmental / Public Sector** | 66 | 385 |
| **Total** | **93** | **474** |

| YTD OSD Performance Part 2 | | |
|---|---|---|
| ***New users** | **Repeat Users** | ****User Satisfaction** |
| 30% of previous year | 30% of previous year | Eval. Feedback Rating (none less than 3.5 of 5) |
| N | Y | Y |

* Average response by participants (per workshop) to the evaluation form question, "Your Overall Reaction to This Workshop."

## Reporting Relationships

**Organization & Staff Development**
**Manitoba Civil Service Commission**
**March 2003**



# ORGANIZATION & STAFF DEVELOPMENT - An Agency of the Special Operating Agencies Financing Authority

## Financial Statements

For the year ended March 31, 2003

# ORGANIZATION & STAFF DEVELOPMENT - An Agency of the Special Operating Agencies Financing Authority

## Financial Statements

**For the year ended March 31, 2003**

**Contents**


| | |
|---|---|
| **Management's Responsibility for Financial Reporting** | 2 |
| **Auditors' Report** | 3 |
| **Financial Statements** | |
| Balance Sheet | 4 |
| Statement of Operations and Retained Earnings | 5 |
| Statement of Cash Flows | 6 |
| Notes to Financial Statements | 7 |

## Management's Responsibility for Financial Reporting

The accompanying financial statements are the responsibility of the management of **ORGANIZATION & STAFF DEVELOPMENT** (OSD) and have been prepared in accordance with Canadian generally accepted accounting principles. In management's opinion, the financial statements have been properly prepared within reasonable limits of materiality, incorporating management's best judgement regarding all necessary estimates and all other data available to May 30, 2003.

Management maintains internal controls to properly safeguard the assets and to provide reasonable assurance that the books and records from which the financial statements are derived accurately reflect all transactions, and that established policies and procedures are followed.

The responsibility of the Auditor General is to express an independent opinion on whether the financial statements of OSD are fairly represented in accordance with Canadian generally accepted accounting principles. The Auditor's Report outlines the scope of the audit examination and provides the audit opinion.

On behalf of Management,

**ORGANIZATION & STAFF DEVELOPMENT**

Rhonda McCorriston, Director
May 30, 2003

*Office of the Auditor General*

500 - 330 Portage Avenue
Winnipeg, Manitoba
CANADA R3C 0C4

# AUDITORS' REPORT

To the Legislative Assembly of Manitoba

We have audited the balance sheet of Organization and Staff Development, an Agency of The Special Operating Agencies Financing Authority, as at March 31, 2003 and the statements of operations and retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the Agency management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Agency as at March 31, 2003 and results of its operations and changes in its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Office of the Auditor General

Office of the Auditor General

Winnipeg, Manitoba
May 30, 2003

# ORGANIZATION & STAFF DEVELOPMENT - An Agency of the Special Operating Agencies Financing Authority
## Balance Sheet

| March 31 | 2003 | 2002 |
|---|---|---|
| | | (000's) |
| **Assets** | | |
| **Current Assets** | | |
| Cash and bank (Note 3) | $ 174 | $ 111 |
| Short-term investments | 267 | 222 |
| Accounts receivable | 108 | 175 |
| Inventories | 9 | 31 |
| | 558 | 539 |
| **Receivable from Province of Manitoba** (Note 4) | 39 | 39 |
| **Capital assets** (Note 5) | 9 | 10 |
| | $ 606 | $ 588 |
| **Liabilities and Equity** | | |
| **Current Liabilities** | | |
| Accounts payable and accrued liabilities | $ 177 | $ 155 |
| **Severance liability** (Note 4) | 56 | 51 |
| | 233 | 206 |
| **Equity** | | |
| Retained earnings | 373 | 382 |
| | $ 606 | $ 588 |

The accompanying notes are an integral part of these financial statements.

# ORGANIZATION & STAFF DEVELOPMENT - An Agency of the Special Operating Agencies Financing Authority
## Statement of Operations and Retained Earnings

**For the year ended March 31**

**(000's)**

| | 2003 Actual | 2002 Actual | Variance | Budget | Variance |
|---|---|---|---|---|---|
| **Revenue** | | | | | |
| Training and consulting | $ 1,163 | $ 1,308 | $ (145) | $ 1,200 | $ (37) |
| Interest | 8 | 10 | (2) | 8 | - |
| | 1,171 | 1,318 | (147) | 1,208 | (37) |
| **Expenses** | | | | | |
| Salaries and benefits | 425 | 355 | 70 | 469 | (44) |
| Professional fees | 382 | 418 | (36) | 475 | (93) |
| Books and course materials | 95 | 110 | (15) | 35 | 60 |
| Food and beverages | 63 | 71 | (8) | 38 | 25 |
| Accommodations | 49 | 40 | 9 | 35 | 14 |
| Desk top management | 36 | 30 | 6 | 24 | 12 |
| Marketing | 34 | 24 | 10 | 14 | 20 |
| Communications | 18 | 16 | 2 | 18 | - |
| Transportation | 16 | 12 | 4 | 28 | (12) |
| Office supplies | 15 | 32 | (17) | 8 | 7 |
| Occupancy costs | 14 | 15 | (1) | 14 | - |
| Rentals | 13 | 16 | (3) | 27 | (14) |
| Professional development | 10 | 9 | 1 | 10 | - |
| Other | 8 | 4 | 4 | 3 | 5 |
| Amortization | 2 | 3 | (1) | 4 | (2) |
| Departmental support services | - | 41 | (41) | - | - |
| | 1,180 | 1,196 | (16) | 1,202 | (22) |
| **Net income (loss) for the year** | (9) | 122 | (131) | 6 | (15) |
| **Retained earnings**, beginning of year | 382 | 260 | | | |
| **Retained earnings**, end of year | $ 373 | $ 382 | | | |

The accompanying notes are an integral part of these financial statements.

# ORGANIZATION & STAFF DEVELOPMENT - An Agency of the Special Operating Agencies Financing Authority
## Statement of Cash Flows

| For the year ended March 31 | 2003 | 2002 |
|---|---|---|
| | | (000's) |
| **Cash Flows from Operating Activities** | | |
| Net income (loss) for the year | $ (9) | $ 122 |
| Adjustments for | | |
| Amortization of capital assets | 2 | 3 |
| | (7) | 125 |
| Net change in non-cash working capital balances | 115 | (193) |
| | 108 | (68) |
| **Cash Flows from Investing Activities** | - | - |
| **Increase (decrease) in cash and equivalents during the year** | 108 | (68) |
| **Cash and cash equivalents**, beginning of year | 333 | 401 |
| **Cash and cash equivalents**, end of year | $ 441 | $ 333 |
| **Represented by** | | |
| Cash and bank | $ 174 | $ 111 |
| Short-term investments | 267 | 222 |
| | $ 441 | $ 333 |

The accompanying notes are an integral part of these financial statements.

# ORGANIZATION & STAFF DEVELOPMENT - An Agency of the Special Operating Agencies Financing Authority
## Notes to Financial Statements

**March 31, 2003** **(000's)**

### 1. Nature of Organization

Effective April 1, 1994, Organization and Staff Development (OSD) of the Civil Service Commission was designated by regulation as a Special Operating Agency under The Special Operating Agencies Financing Authority Act and operates under a charter approved by the Lieutenant Governor in Council. Its mandate is to provide consulting and training services to support the implementation of the government's human resource policies and priorities.

The Agency is financed through the Special Operating Agencies Financing Authority. The Financing Authority has the mandate to hold and acquire assets required for and resulting from Agency operations. It finances the Agency through repayable loans and working capital advances. This financial framework enables the Agency to operate in a business-like manner according to public policy expectations.

A Management Agreement between the Financing Authority and the Minister responsible for the Civil Service Commission assigns responsibility to the Agency to manage and account for the Agency related assets and operations on behalf of the Financing Authority.

OSD continues to be part of the Civil Service Commission under the general direction of the Commissioner and ultimately the policy direction of the Minister responsible for The Civil Service Act.

OSD remains bound by relevant legislation and regulations. It is also bound by administrative policy except where specific exemptions have been provided for in its charter in order to meet business objectives.

OSD is economically dependant on the Province of Manitoba. Currently, the Agency derives most of its revenue from the Province and all of its capital financing requirements through the Financing Authority.

### 2. Significant Accounting Policies

Basis of Reporting

The financial statements of the Agency are presented in accordance with Canadian generally accepted accounting principles.

Revenue Recognition

Training and consulting revenue is recorded on an accrual basis by specific project.

Use of Estimates

In preparing the Agency's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the period. Actual results could differ from these estimates.

March 31, 2003 (000's)

## 2. Significant Accounting Policies (continued)

Financial Instruments

The Agency's financial instruments consist of cash, accounts receivable, investments and accounts payable. It is management's opinion that the Agency is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values unless otherwise noted.

Inventories

Inventories are valued at the lower of cost and net realizable value.

Capital Assets

Rates of amortization applied to write off the cost of capital assets over their estimated life are as follows:

| | |
|---|---|
| Furniture and office equipment | 20% straight line |
| Computer equipment | 20% straight line |

One half year's amortization is applied to computer equipment in the year of acquisition.

## 3. Working Capital

The Agency has an authorized line of working capital advances of $120 which was unused and available at March 31, 2003.

## 4. Severance Liability

Effective April 1, 1998, the Agency began recording accumulated severance pay benefits for its employees. The estimate of the liability was based on the method of calculation set by the Province of Manitoba.

The Province has accepted responsibility for the severance benefits accumulated by the Agency's employees to March 1, 1998. Accordingly, the opening severance pay liability balance as at April 1, 1998 calculated at $33 was completely offset by a receivable from the Province. The receivable from the Province, or portion thereof, for Organization and Staff Development, will be collected in the event there is a cash shortfall. However, this is only likely to happen on the dissolution of the Agency.

An actuarial valuation report of the Agency's severance liability as at March 31, 2000 was completed in 2001. The liability as at March 31, 2000 was restated to $42 and the receivable from the Province was restated to $39. The report provides a formula to update the liability on an annual basis. In accordance with the formula, the Agency's actuarial liability has been calculated to be $56 as at March 31, 2003.

March 31, 2003 (000's)

## 5. Capital Assets

| | 2003 | | | 2002 | | |
|---|---|---|---|---|---|---|
| | Cost | Accumulated Amortization | Net Book Value | Cost | Accumulated Amortization | Net Book Value |
| Furniture & fixtures | $ 10 | $ 7 | $ 3 | $ 10 | $ 7 | $ 3 |
| Computers | 12 | 6 | 6 | 12 | 5 | 7 |
| | $ 22 | $ 13 | $ 9 | $ 22 | $ 12 | $ 10 |

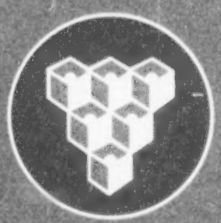
## 6. Public Sector Compensation

Pursuant to the disclosure required by The Public Sector Compensation Disclosure Act, no remuneration was paid to Advisory Board members. During the fiscal year ended March 31, 2003, the following employees received compensation of $50,000 or more.

| | 2003 | 2002 |
|---|---|---|
| K. Meekler | $ 51 | $ - |
| J. Desrochers | 57 | 54 |
| E. Dickson | 57 | 54 |
| H. Robertson | 74 | 71 |

## 7. Related Party Transactions

The Agency is related in terms of common ownership to all Province of Manitoba created Departments, Agencies and Crown Corporations. The Agency enters into transactions with these entities in the normal course of business.



*consulting and training that make a difference*

www.gov.mb.ca/csc/osd

Manitoba Civil Service Commission